

June 9, 2005

Mr. E.E. Weismantel
209 Callawassie Drive
Callawassie Island
Okatie, South Carolina 29909

RE: Docket No. 2005-87-W/S

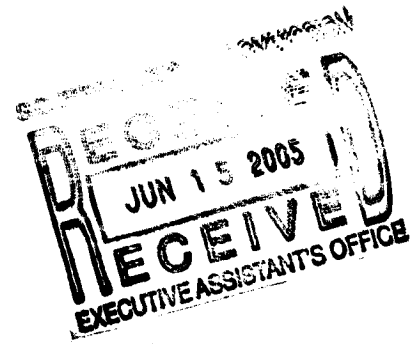
Dear Mr. Weismantel:

We have received a copy of your letter dated May 31, 2005 addressed to the Public Service Commission of South Carolina (PSC).

First, let us say that we are very sorry that you are unhappy in any way with the water and sewer service which you receive from CUC. Our goal as a utility company is to provide the very best service to our customers at fair, reasonable, responsible, and non-discriminatory rates. Our employees are trained to be courteous to all customers and to respond expeditiously to any customer complaints.

When a customer makes a complaint to our Callawassie office, a work order is issued and an operator is dispatched to correct the problem. We have no work orders in our files or any other records of previous complaints from you. Also, our office secretary and our systems manager do not recollect any calls or conversations with you.

As for water in your meter box, the water meter box was initially installed 1" to 2" above the finished grade as it existed at that time. This was done so that water would not run into the box during large rains. Evidently, when the landscaping was done for your home, the ground around the meter was raised and a pampas grass and a palmetto bush were planted very near the meter box. The result of this landscaping has prevented water from running away from the meter box. While there is some water that stands in the meter box as a result of the landscaping and the roots from the nearby plants preventing drainage from the meter box, it is not causing any particular problems for our operators to read the meter other than making it difficult for the operators to get to the meter. Furthermore, no water appears to be standing around the meter, and there are no leaks at the meter box installation. If this situation is truly a problem for you, we request that you move the existing plants a suitable distance away from the meter box and then our operators will go in and raise the box so that it is again 1" to 2" above the existing grade. You will be charged for repositioning the meter and box in accordance with PSC RULES ARTICLE 7., WATER UTILITIES, SUBARTICLE 3., METERS, METER LOCATION, 103-724, PARAGRAPH D, that reads: "*In the event the customer desires any change in the location or position of the meter, meter box or vault, after they have been installed, such change in location shall be made by the utility at the expense of the customer*". Please let us know in writing what your wishes are in this matter. For the benefit of the PSC and the Office of Regulatory Staff (ORS), in an effort to help them more fully understand your drainage problem, we are attaching hereto photographs that depict the conditions, as they now exist, at the water meter location.



Regarding your complaint that CUC charges you for service when you are away from your home for periods of a month or more, we have no way of knowing when you are at home or away unless you notify us before you leave. Our policy is not to turn off service unless we have written notice from a customer to do so. In the future when you desire to have your service turned off, please make a written request to our Callawassie office and your service will be promptly turned off and you will not be charged for service until you make a written request to have the service restored. You will be charged for any approved and applicable cut-off and cut-on fees.

As to your issues regarding CUC's current application to the PSC for rate relief, the ORS is in the process of making a very thorough investigation of CUC and its request for new rates. It appears that a hearing by the PSC will be held locally so that any CUC customers can conveniently attend if they so desire. We invite you to attend and to bring any proof you may have regarding your knowledge of any wrong doing or inefficiency in CUC's operations.

You stated in your letter that you "understood that Beaufort Jasper Water and Sewer Authority expressed an interest in taking over CUC's activities which was refused by CUC". Your understanding in this matter must be based upon incorrect information. Since you implied that your statement on this matter was based on fact to the extent you would write to the PSC about it, we would appreciate your providing us with the names and addresses of the people who provided you with this information, so that we may take appropriate action against these people for making untrue and incorrect statements that may effect CUC's business.

Sincerely yours,



Billy F. Burnett
President

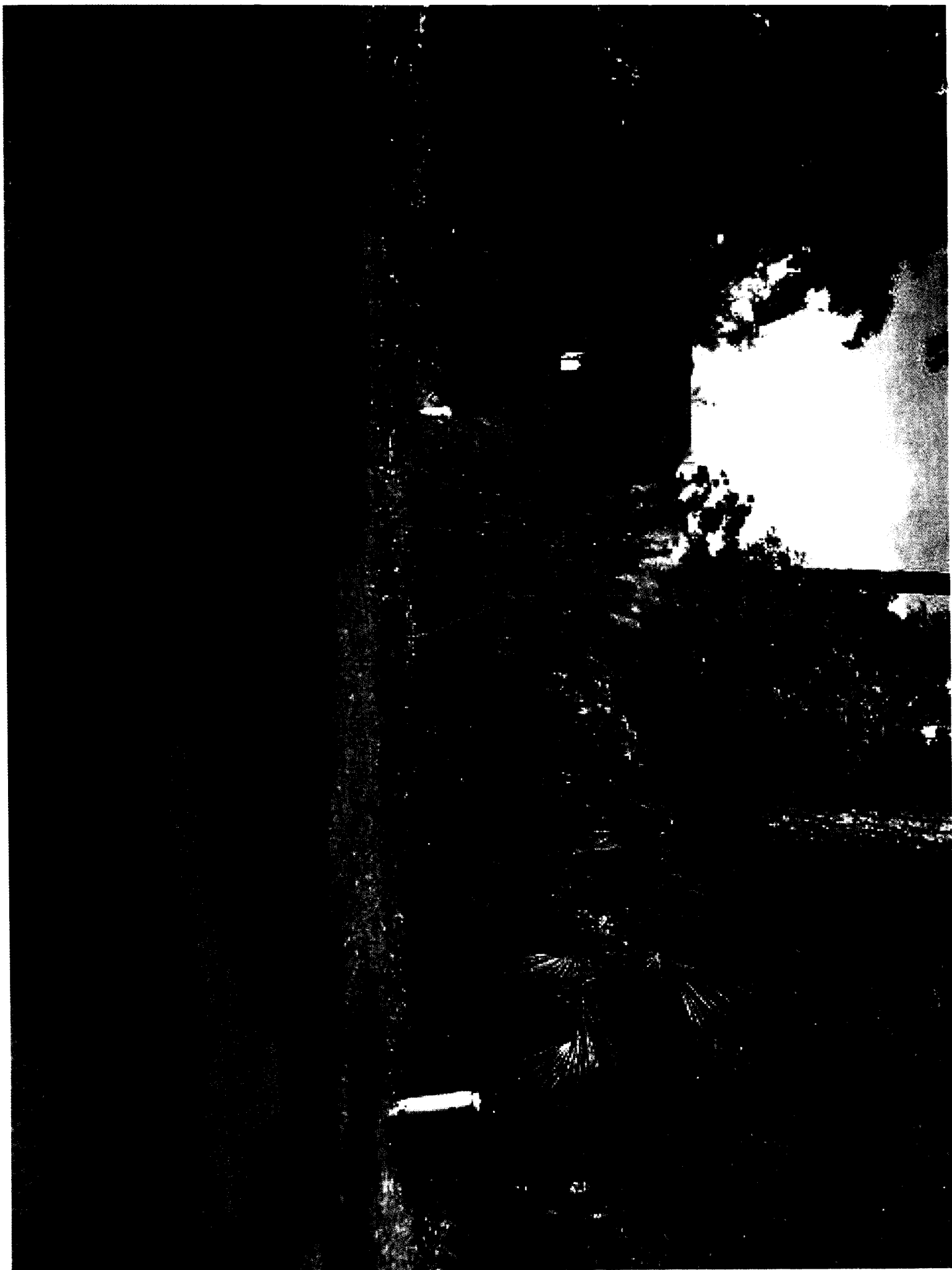
Attachments

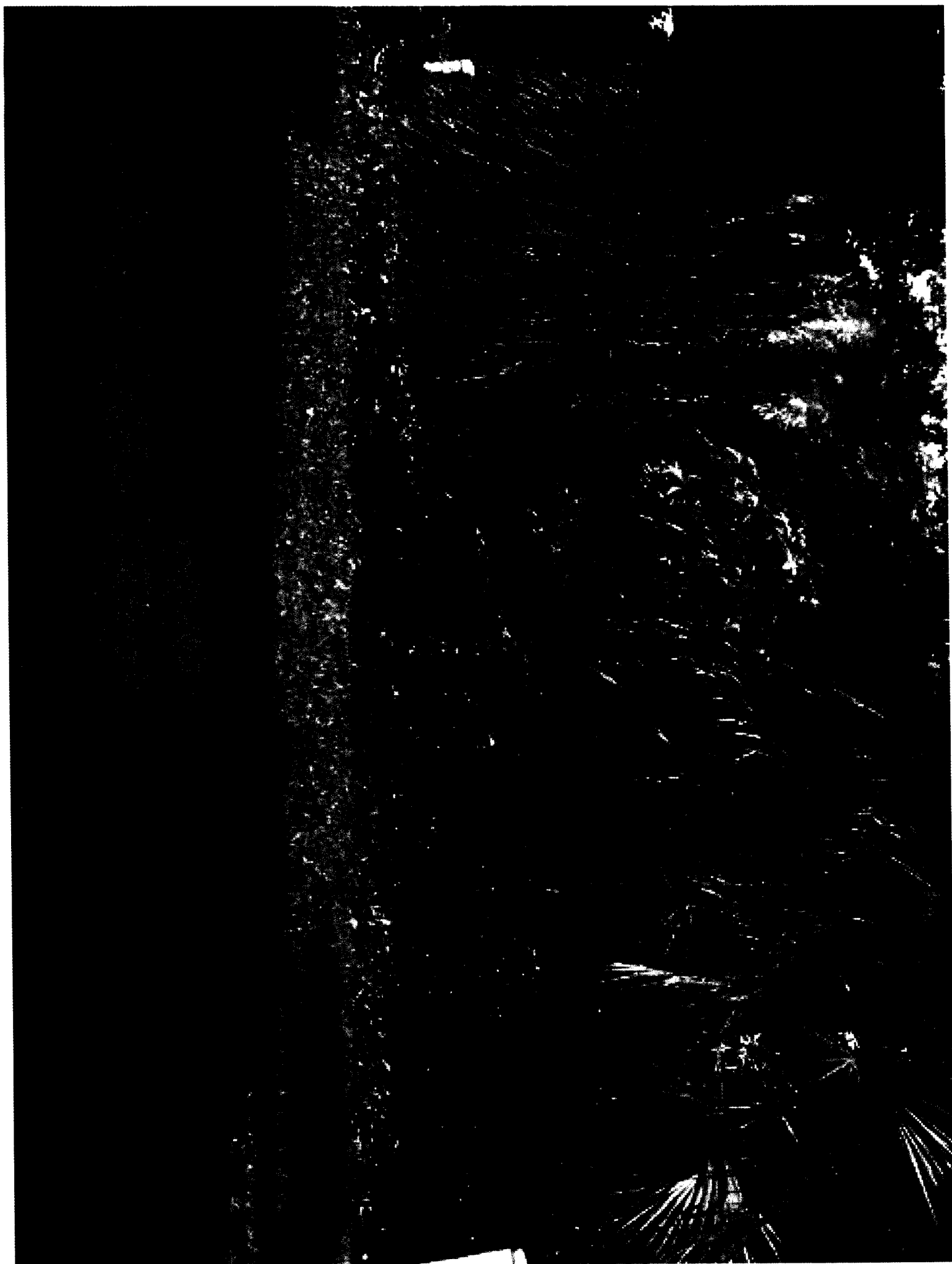
cc: Office of Regulatory Staff
P.O. Box 11263
Columbia, South Carolina 29211

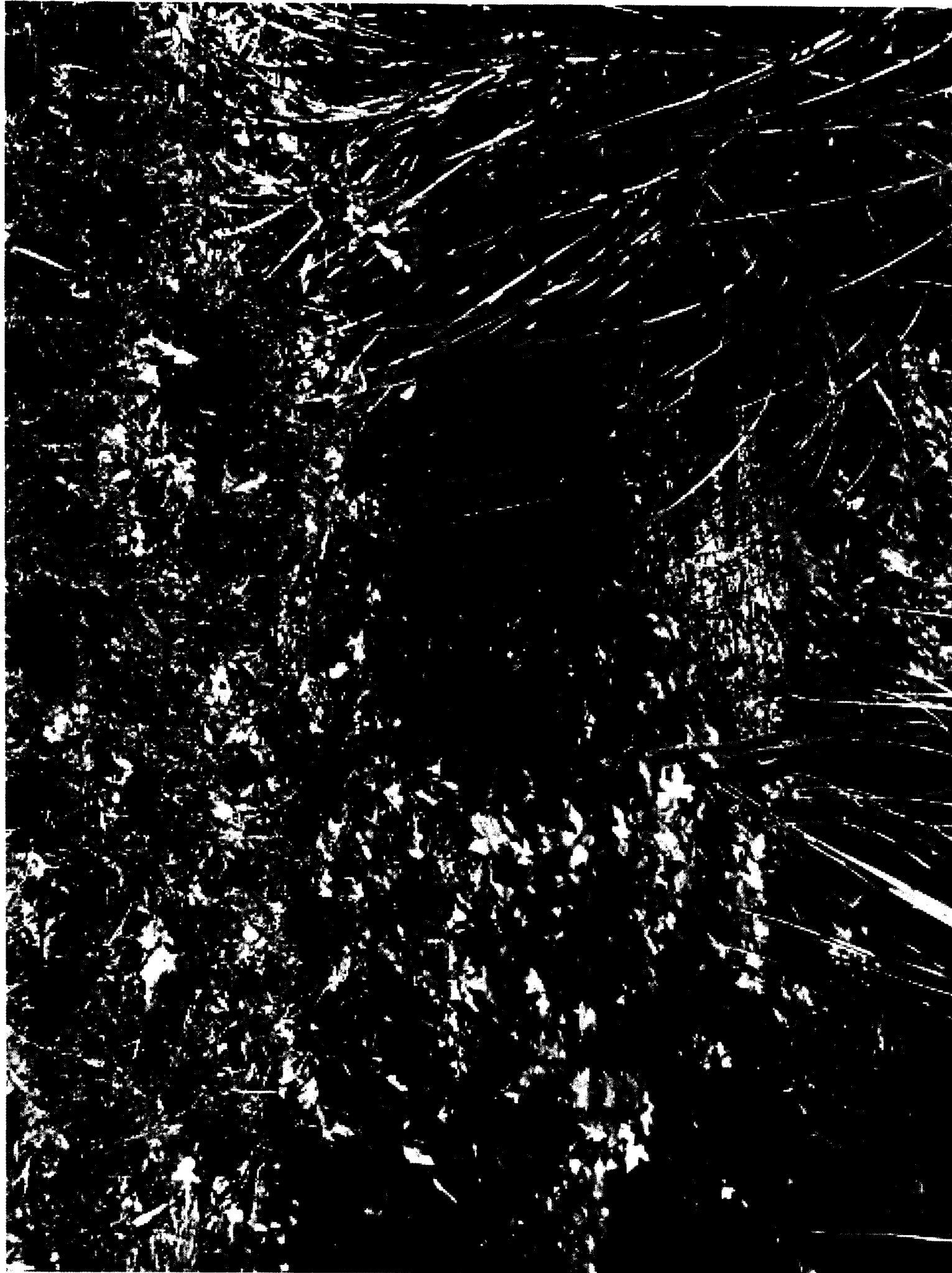
Public Service Commission of South Carolina
101 Executive Center Dr., Suite 100
Columbia, SC 29210

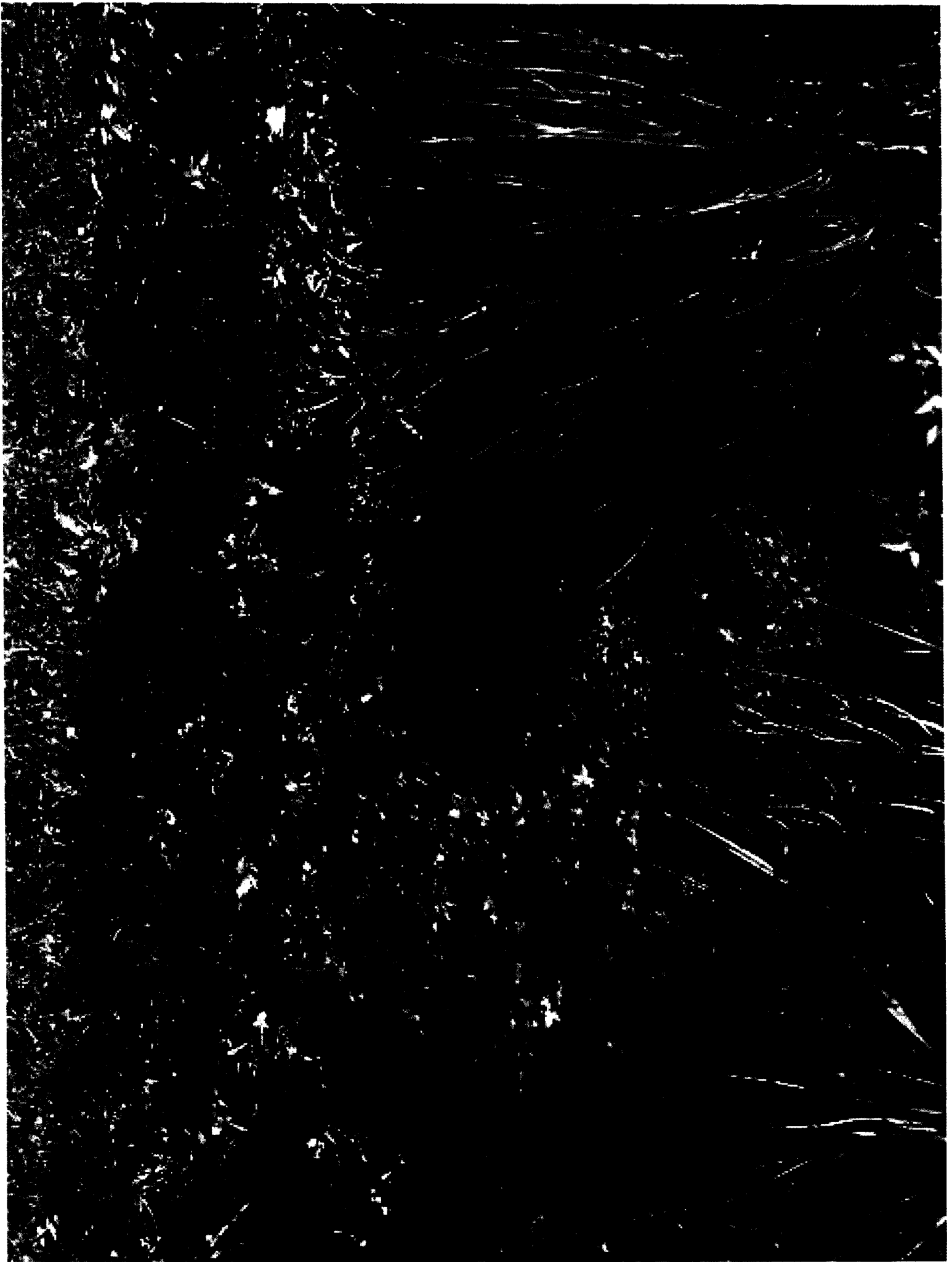
Steven G. Mikell, Esquire
Mikell Law Firm
310 West Pine Street
Florence, South Carolina 29501

Tom Bayless
% CIPOA
Callawassie Island - Okatie, South Carolina 29909











209 Callawassie Drive
Callawassie Island
Okatie, SC 29909
31 May 2005

Public Service Commission of South Carolina
Attention: Docketing Department
Post Office Drawer 11649
Columbia, South Carolina 29211

SUBJECT: CUC Application for increase in Water and Sewer charges

Gentlemen:

Only recently I and my neighbors were advised that CUC has applied for an increase in rates for water and sewer services stating that they have not changed rates since 1992. The requested increase for the average user is to average between 75 and 108%. Having been a resident of this island since the early 1990's, I have been very negatively impressed with CUC's service during much of this time. For example, since 1992/93 I have had a leak in the near street meter which I reported to CUC when I first noticed it. I've reported this fact at least a dozen times, during each telephone discussion I have repeatedly been told that they would look into it and correct the problem. In addition, its impossible not to see the problem when they look into the water filled meter box. The problem still exists today. Moreover, they charge our residents a minimum monthly fee for both water and sewage even at times where we may be absent from our properties for extended periods of a month or more.

In addition, a comparison of our rates with those of a similar property like Dataw Island shows Callawassie's rates to be much higher. Also when I first moved onto Callawassie we had less than a hundred homes on the island – today we have about Four hundred and fifty plus. CUC says that the reason that they need an increase is that they've lost money the last two years. How come they seem to have made money when they had much fewer customers? Have they done nothing to improve their efficiency as they accumulated additional customers at the rate of twenty to thirty a year? I have not seen any major investment on their part which would justify a major increase such as they have requested. I allow the fact that inflation occurs with time but past inflation would not justify the increases that they have requested. It is also my understanding that Beaufort Jasper Water and Sewer authority expressed an interest in taking over CUC's activities which was refused. How come CUC is not interested if they're losing money?

Our home owners association CIPOA has requested a local hearing on this matter which many of us would like to attend – is this possible?

Thank you.


E. E. Weismantel

Copies also sent to the attached